

HEAD OFFICE

173 Cobalt Street (PO Box 64)
Carole Park QLD 4300 Australia

Ph +61 7 3271 2622

Fax +61 7 3271 3689

Email enquiry@austineng.com.au

Web www.austineng.com.au

ABN 60 078 480 136

austinengineering^{LTD}

Update on Colombian property and business performance

Brisbane, 8 April 2016: (Austin Engineering Limited – ASX trading code: ANG)

Colombian property sale

Austin Engineering Limited (“Austin”) advises that it has signed binding agreements relating to the sale and leaseback of its Colombian property with Grupo Mercantil del Caribe S.A.S.

Sale proceeds of A\$2.6m (Australian dollar equivalent expressed on a gross basis) will be applied to reduce senior syndicated debt facilities and will reduce Austin’s net debt.

Sale proceeds are expected to be received in April 2016.

Progress with capital raising options

Austin, in conjunction with its broking and banking advisers, continues to develop options to raise capital as part of its refinancing process.

As was noted in the 1H16 results release, these options include the sale of surplus properties, the sale and leaseback of facilities to redeploy that allocated capital, the sale of other assets and the raising of capital in various forms.

Austin will update the market should there be material developments.

Recent contract wins

Austin is pleased to announce several recent contract wins, with encouraging signs for business performance in FY17.

Its Perth operations have secured an order for 32 trays for a major iron ore producer to be delivered through the course of 2016. These trays are part of the replacement cycle for the significant installed product base of Austin from the 2010 to 2013 vintage.

The Calama operation in Chile has recently been awarded two important multi-year contracts which further cement our footprint in the region:

- An off-site repair contract with a major long term Client. The value of this contract is c. A\$11m and the term is two years commencing in April 2016
- An addition to a current contract with Antofagasta Minerals with an approximate value of A\$1.5m over the three year term of the current contract

The Indonesian business, located on Batam Island, has been successful with a large bucket order and 4 trays with a total approximate value of A\$1.9m. These are scheduled for delivery between May and July 2016.

End

For further information on the above, please contact Executive Chairman Peter Pursey, or Chief Financial Officer Scott Richardson, on +61 7 3271 2622.